

\*\*\*\*\* T O P S E C R E T \*\*\*\*\*S COPY

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FM THE SITUATION ROOM TOAHK70

TO RALPH SIGLER FOR LARRY EAGLEBURGER

T O P S E C R E T SENSITIVE EXCLUSIVELY EYES ONLY WH40172

TOHAK70

DELIVER IN SEALED ENVELOPE  
DESTROY TAPE; RETAIN NO FILE COPIES

TO: HENRY A. KISSINGER  
FROM: BRENT SCOWCROFT

WE HAVE A SLIGHT PROBLEM ON THE HOLTON ANNOUNCEMENT TODAY.  
IT SEEMS THERE IS A POSSIBLE QUESTION WITH RESPECT TO THE FBI  
INVESTIGATION. THE HEAD OF THE SBA IN RICHMOND IS UNDER INVESTI-  
GATION FOR MAKING IMPROPER LOANS. THIS OFFICIAL IS A DEMOCRATIC  
HOLDOVER WHO WAS RETAINED IN OFFICE ON THE INSISTENCE OF GOVERNOR  
HOLTON. WHILE THERE IS AT THIS POINT NO EVIDENCE THAT HOLTON WAS  
IN ANYWAY CONNECTED WITH THE IMPROPER LOANS, NEITHER HAS THE  
FBI BEEN ABLE YET TO SAY POSITIVELY THAT HE WAS NOT INVOLVED.  
THEY ARE RUSHING THE INVESTIGATION AND HOPE TO HAVE IT COMPLETED  
BY FRIDAY. WE HAVE TOYED WITH VARIOUS WAYS THAT WE MIGHT BE  
ABLE TO MAKE SOME KIND OF STATEMENT WHICH WOULD ENABLE US TO  
MAKE CLEAR THAT HOLTON WAS YOUR NOMINATION, BUT THERE IS JUST  
NO WAY TO DO IT WHICH WOULD NOT RESULT IN SUBSTANTIAL DAMAGE  
IF THE INVESTIGATION FORCED US TO WITHDRAW HIS NAME. I WILL LET  
YOU KNOW THE MINUTE WE HAVE AN FBI CLEARANCE.

WARM REGARDS.

200

FBI Review Completed

ON-FILE NSC RELEASE  
INSTRUCTIONS APPLY

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SCOWCROFT ONLY

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